Agriculture and Agri-Food Canada | Agriculture et Agroalimentaire Canada

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AUSTRALIA: PULSE AND SPECIAL CROPS SITUATION AND OUTLOOK

Australia is a major competitor with Canada in international markets for dry peas, lentils and chickpeas. For 2006-2007, drought is expected to sharply reduce Australian production of dry peas and lentils, which will provide additional market opportunities for Canadian exporters. However, the production of chickpeas in Australia is expected to increase sharply, which will provide additional competition for Canadian exporters. Australian chickpea seeded area rose sharply and the main growing areas for chickpeas received more precipitation than the areas for the other pulse crops. This issue of the *Bi-weekly Bulletin* examines the situation and outlook for pulse and special crops in Australia.

The main Australian pulse crops are seeded mostly in June, which is in the Australian fall, grown during the winter and harvested mainly in November and December. However, dry beans and sunflower seed are produced during the summer. Australian pulse and special crops yields are highly variable, in line with the variable rainfall received in the growing areas.

Drought and Crop Conditions in 2006-2007

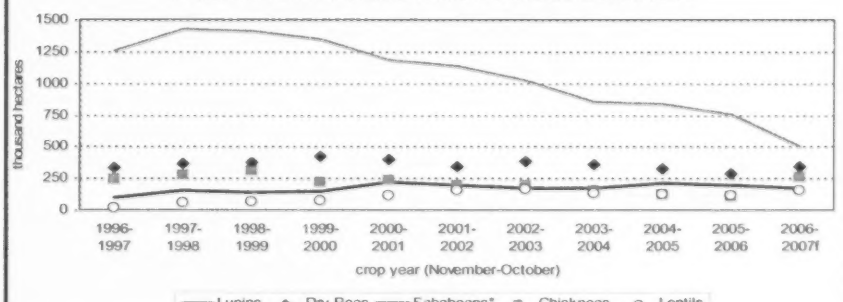
For 2006-2007 winter grown pulse crops, rainfall during the key crop growing months of June to October has been very much below average or the lowest on record, with the exception of central Queensland and pockets of New South Wales (NSW). The dryness has been exacerbated by temperatures that were well above average, combined with periods of strong winds and frost (in some southern growing areas) during September and October. Some fields of pulse crops will not be harvested because they are too short to harvest or have low yield prospects. These have been grazed, cut for hay or desiccated to control weeds.

The 2006-2007 harvest started earlier than normal because of the drought and above normal temperatures, with the first fields harvested in mid-October in Queensland and northern NSW.

Lupins

Lupins are the largest pulse crop produced in Australia. There are two types of lupins produced in Australia, narrow leafed and sweet Albus. In most years, over 95% of the production is the narrow leafed type. They are produced mainly in Western Australia (WA), with smaller production in NSW, South Australia (SA) and Victoria. For 2006-2007, production is expected to fall from 1.08 million tonnes (Mt) in 2005-2006 to only 0.25 Mt because of lower seeded area and lower yields resulting from drought in the main growing areas.

AUSTRALIA: PULSE CROPS SEEDED AREA



* includes broadbeans
f forecast, ABARE and Pulse Australia, October 2006
Source: Australian Bureau of Agricultural and Resource Economics (ABARE), Pulse Australia, October 2006

In general, about half of Australian lupins are used domestically and half exported. Lupins are mostly used for livestock feed, although some are also used in aquaculture for feeding fish and for human food. Exports are

Canada

mostly to the EU, especially the Netherlands and Spain, and to eastern Asian countries, especially South Korea and Japan. In the EU feed market, Australian lupins compete to some extent with Canadian dry peas. Canadian dry peas are potential competitors with Australian lupins in eastern Asian feed markets. For 2006-2007, exports are forecast to decline from 536,000 t in 2005-2006 to only 41,000 t in 2006-2007. Low Australian exports will provide additional market opportunities for Canadian dry pea exporters into the EU feed markets.

Dry Peas

Dry peas are produced mainly in WA and SA, with smaller production in Victoria and NSW. About 90% of Australian dry pea production is dun peas, but yellow, green and Mapie peas are also produced. Dun peas have greenish-brown seed coat and yellow cotyledon. For 2006-2007, although the seeded area increased, production is expected to decrease from 478,000 t in 2005-2006 to 206,000 t in 2006-2007 because of sharply lower yields due to drought.

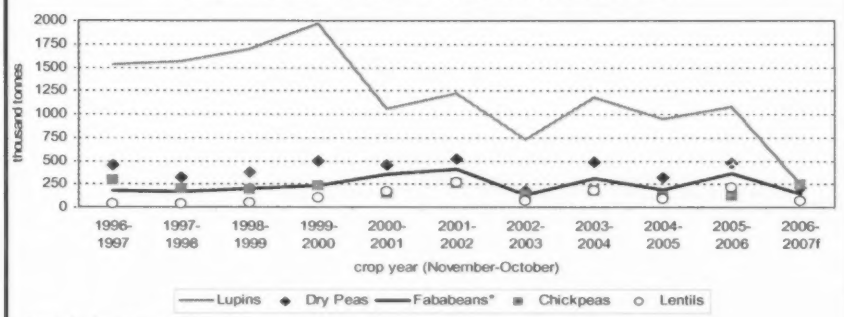
Australian dry peas are mostly exported into the food market in India and other countries in southern Asia, where they compete with Canadian yellow peas. Domestic use is mostly for livestock feed and seed for planting. For 2006-2007, Australian exports are forecast to drop from 215,000 t in 2005-2006 to only 73,000 t, which is expected to provide additional market opportunities for Canadian yellow peas in India and other countries in southern Asia.

Chickpeas

Australia produces mainly desi chickpeas, although some kabuli chickpeas are produced. Chickpeas are produced mainly in NSW, Queensland and Victoria. For 2006-2007, production is expected to nearly double to 239,000 t due to a sharply higher seeded area and near normal yields as the main chickpea growing areas had better moisture conditions than the growing areas of other pulse crops.

Australian chickpeas are mostly exported into the food market in India, Bangladesh and other countries of southern Asia, where they compete directly with Canadian desi and small kabuli chickpeas, and indirectly with Canadian yellow peas, because Canadian yellow peas are a substitute for chickpeas in lower priced markets. For 2006-2007, Australian exports are forecast to increase by 26% to 225,000 t. Higher Australian exports are expected to provide more competition for Canadian exporters.

AUSTRALIA: PULSE CROPS PRODUCTION



* includes broadbeans
f: forecast, ABARE and Pulse Australia, October 2006
Source: Australian Bureau of Agricultural and Resource Economics (ABARE), Pulse Australia, October 2006

Fababeans and Broadbeans

Fababeans and broadbeans are from the same species, but broadbeans have larger seed. Production of fababeans is much higher than production of broadbeans. Fababeans are produced mainly in SA, Victoria and NSW, while broadbeans are produced mainly in SA and Victoria. For 2006-2007, production is expected to fall sharply, from 359,000 t in 2005-2006 to 141,000 t, because of lower seeded area and much lower yields caused by drought.

Australian fababeans are mostly exported into the food market in Egypt and other countries in the Middle East, where they compete with Canadian fababeans. Broadbeans are exported to the Middle East and countries in south-east Asia. Australian exports are forecast to decline from 220,000 t in 2005-2006 to only 50,000 t in 2006-2007. Lower Australian exports are expected to provide less competition for Canadian fababean exporters in the Middle East.

Lentils

Nearly all of the lentils produced in Australia are the red type. Lentils are produced mainly in SA and Victoria. For 2006-2007, production is expected to drop sharply, from 210,000 t in 2005-2006 to only 66,000 t, as a higher seeded area is more than offset by sharply lower yields due to drought.

Australian lentils are mostly exported to food markets in southern Asia and the Middle East. Australian exports are forecast to decline from 200,000 t in 2005-2006 to only 55,000 in 2006-2007. Lower Australian exports are expected to provide less competition for Canadian red lentils exporters.

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CANADA: GRAINS AND OILSEEDS OUTLOOK

November 10, 2006

For 2006-07, the production of grains and oilseeds in Canada is estimated to decrease by 7% from 2005-06 to 62.3 million tonnes (Mt), slightly above the 10-year average of 60 Mt, based on Statistics Canada's (STC) "September Estimate of Production of Principal Field Crops". Yields are generally estimated to be near trend levels, although below 2005-06. Harvest in western Canada was completed well ahead of normal. A better-than normal grade distribution is estimated for all crops. In western Canada, production decreased by 9% from 2005-06, to 46.3 Mt due to lower yields. In eastern Canada, STC's production estimate for grains and oilseeds is 16 Mt but this could be revised downward in its December release because excess rain in some provinces has delayed the harvest of corn and soybeans.

Total supply of grains and oilseeds in Canada for 2006-07 is forecast to decrease by 1% from 2005-06, as lower production has more-than offset higher carry-in stocks. Exports are forecast to increase by 11%, mainly because of higher wheat exports. Total domestic use is expected to rise, partly due to increased use of corn and wheat for ethanol production. Carry-out stocks are expected to fall by 27%, with declines expected for all crops except for oats, flaxseed and soybeans. Canadian prices for all crops are expected to be higher than in 2005-06 due to strong prices in the US, except for flaxseed. The Canadian dollar is expected to continue to be strong. The major factors to watch are: the biofuel market, southern hemisphere crop development, ocean freight rates and exchange rates.

DURUM WHEAT

For 2006-07, production decreased by 40% from 2005-06, to 3.5 Mt, the lowest since 2001-02, as a result of lower seeded area and yields. The lower production is partly offset by the record 3.3 Mt carry-in stocks. Supply is down by 19%, but it remains above the 10-year average of 6.5 Mt. Exports are forecast to decline slightly, with lower demand from North Africa and the EU more than offset by increased exports to the US and other markets. Carry-out stocks are forecast to fall by 42% to1.9 Mt, slightly below the 10-year average. The Canadian Wheat Board (CWB) Pool Return Outlook (PRO) for No.1 CWAD 11.5% durum is $202/t I/S VC/SL, $21/t higher than for 2005-06. A discount of $9/t to No.1 CWRS 11.5% is forecast, vs. the 10-year average premium of $36/t.

WHEAT (excluding durum)

Production increased by 9% to 22.8 Mt, due to higher area. Supply is up by 11% to 29.2 Mt, 4 Mt above the 10-year average. The increased production is mainly due to the record 2.7 Mt Ontario crop, with western production up by 5%. Over 90% of the CWRS crop grades No.2 or better, with protein content higher than the previous 2 years. Exports are forecast to increase by 35%, due to improved CWRS quality, record Ontario production and reduced export competition. Domestic use is forecast to rise marginally, with increased industrial use for ethanol production partly offset by lower feed use. Carry-out stocks are forecast to fall below the 10-year average of 5.5 Mt. The CWB PRO was raised on Oct. 26 and is $9 to $47/t above 2005-06, depending on class, grade and protein content. The increases are greatest for lower quality wheat, narrowing the quality and protein premiums for No.1 CWRS, due to the larger and better quality US and Canadian HRS crops.

BARLEY

Production decreased by 20%, due to lower area and yields, resulting in a 16% decrease in supply. Exports are forecast to fall by 23%, as higher malting barley exports only partly offset lower feed barley exports. Despite lower exports and domestic use, carry-out stocks are forecast to fall sharply. The average off-Board feed barley price is projected to rise by $30/t. The CWB PRO for No. 1 CW feed barley for Pool A in 2006-07 is $170/t, vs. $131/t for 2005-06 Pool B. The PRO for SS2R malting barley is $200/t vs. $171/t for 2005-06, due to lower exportable supplies from major competitors and strong import demand from China and the US.

CORN

Production decreased by 7%, due mainly to lower yields. Domestic supply is down by 4%, as larger carry-in stocks partially offset the lower production. Imports are forecast to rise sharply, as a result of strong demand for ethanol production and less barley supply. Carry-out stocks are forecast to drop by 30%. The average Chatham price is forecast to rise by 30% from 2005-06, due to higher US prices and lower domestic supplies.

OATS

Production increased by 10%, due mainly to higher area. Supply is up by 5%, as lower carry-in stocks partly offset the higher production. Exports are forecast to rise, as a result of stronger US import demand and less competition from the EU. Feed use and carry-out stocks are expected to rise. The average Chicago Board of Trade (CBoT) nearby futures price is forecast to increase by over $15/t from 2005-06. The price premium for oats over corn at CBoT is expected to remain above the 5-year average.

CANOLA

Production decreased by 12%, largely because of lower yields. This is partly offset by burdensome carry-in stocks and as a result supply will remain historically high. Exports are forecast to fall marginally from the 2005-06 record to 5.3 Mt. Domestic crush is forecast to increase slightly, following the expansion of some processing plants, with many of the recently announced plants not expected to begin operation until 2007-08. Carry-out stocks are forecast to fall sharply, but will remain significantly above the 10-year average. Prices are expected to rise from the low level of 2005-06, supported by higher US soybean prices and increased EU demand for biofuels.

FLAXSEED (excluding solin)

Production decreased by 11% as lower yields more than offset higher harvested area. However, supply is up sharply as the decrease in production was more than offset by large carry-in stocks. Exports are expected to increase slightly, with carry-out stocks forecast to rise to a burdensome 0.5 Mt, vs. the 10-year average of 0.2 Mt. As a result, prices are forecast to decline.

SOYBEANS

Production increased by 4% due to higher area. Domestic supply is up by 10% due to higher production and carry-in stocks. As a result, imports are expected to fall by 56%. Exports are forecast to rise to a record high on the strength of market development efforts for edible soybeans. Domestic crush is expected to increase. Prices are forecast to rise due to higher US soybean prices.

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CANADA: GRAINS AND OILSEEDS SUPPLY AND DISPOSITION

November 10, 2006

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (c)	Food & Industrial Use (e)	Feed, Waste & Dockage	Total Domestic Use (d)	Carry-out Stocks	Average Price (f)
	thousand ha		*t/ha*	*thousand metric tonnes*								*$/t*
Durum												
2004-2005	2,230	2,141	2.32	4,962	1	6,752	3,218	254	570	1,047	2,487	201
2005-2006	2,341	2,297	2.58	5,915	1	8,402	4,269	252	451	867	3,266	181*
2006-2007F	1,724	1,700	2.08	3,538	1	6,805	4,100	255	360	805	1,900	202**
Wheat Except Durum												
2004-2005	8,169	7,722	2.71	20,898	13	25,203	11,593	2,845	4,525	8,175	5,435	190
2005-2006	7,753	7,530	2.77	20,860	23	26,318	11,498	2,797	4,648	8,343	6,477	181*
2006-2007F	8,953	8,850	2.57	22,751	19	29,247	15,500	3,200	4,295	8,347	5,400	211**
All Wheat												
2004-2005	10,399	9,862	2.62	25,860	14	31,955	14,812	3,099	5,095	9,221	7,922	
2005-2006	10,094	9,826	2.72	26,775	23	34,720	15,768	3,049	5,099	9,209	9,743	
2006-2007F	10,677	10,550	2.49	26,289	20	36,052	19,600	3,455	4,655	9,152	7,300	
Barley												
2004-2005	4,678	4,050	3.26	13,186	83	15,371	1,863	268	9,417	10,073	3,435	112
2005-2006	4,440	3,889	3.21	12,481	46	15,962	2,974	155	9,204	9,700	3,289	110
2006-2007F	3,871	3,408	2.94	10,011	40	13,340	2,300	260	8,765	9,440	1,600	130-150
Corn												
2004-2005	1,185	1,072	8.24	8,837	2,419	12,399	229	2,395	7,961	10,368	1,802	100
2005-2006	1,124	1,096	8.63	9,461	1,906	13,168	281	2,220	8,654	10,886	2,001	96
2006-2007F	1,122	1,100	8.02	8,823	2,600	13,424	200	3,000	8,809	11,824	1,400	115-135
Oats												
2004-2005	1,995	1,315	2.80	3,683	26	4,497	1,675	118	1,574	1,848	974	131
2005-2006	1,853	1,326	2.59	3,432	20	4,427	1,877	80	1,431	1,678	872	144
2006-2007F	2,002	1,498	2.52	3,782	15	4,669	2,000	100	1,498	1,769	900	150-170
Rye												
2004-2005	284	165	2.53	418	1	462	122	48	145	210	130	68
2005-2006	226	148	2.42	359	1	490	123	48	132	197	170	81
2006-2007F	151	144	2.33	335	1	506	110	48	191	256	140	90-110
Mixed Grains												
2004-2005	220	111	2.87	318	0	318	0	0	318	318	0	
2005-2006	209	109	2.78	303	0	303	0	0	303	303	0	
2006-2007F	230	110	2.87	316	0	316	0	0	316	316	0	
Total Coarse Grains												
2004-2005	8,362	6,713	3.94	26,442	2,528	33,046	3,889	2,828	19,414	22,817	6,341	
2005-2006	7,852	6,568	3.96	26,036	1,973	34,350	5,255	2,503	19,723	22,764	6,331	
2006-2007F	7,375	6,260	3.72	23,267	2,656	32,254	4,610	3,408	19,578	23,604	4,040	
Canola												
2004-2005	5,319	4,938	1.57	7,728	108	8,444	3,412	3,031	375	3,446	1,587	309
2005-2006	5,491	5,283	1.83	9,660	140	11,386	5,412	3,423	492	3,956	2,019	278
2006-2007F	5,324	5,259	1.61	8,485	150	10,654	5,300	3,450	409	3,904	1,450	315-355
Flaxseed												
2004-2005	728	528	0.98	517	39	648	468	n/a	n/a	157	24	n/a
2005-2006	842	803	1.35	1,082	38	1,144	537	n/a	n/a	271	336	276
2006-2007F	838	829	1.16	959	20	1,315	550	n/a	n/a	265	500	245-285
Soybeans												
2004-2005	1,229	1,178	2.59	3,048	393	3,581	1,122	1,610	457	2,190	270	248
2005-2006	1,176	1,169	2.70	3,161	339	3,770	1,326	1,493	327	1,949	495	220
2006-2007F	1,240	1,232	2.67	3,293	150	3,938	1,350	1,550	338	1,988	600	215-255
Total Oilseeds												
2004-2005	7,277	6,643	1.70	11,293	540	12,674	5,002	n/a	n/a	5,792	1,880	
2005-2006	7,510	7,255	1.92	13,904	516	16,300	7,274	n/a	n/a	6,176	2,850	
2006-2007F	7,402	7,320	1.74	12,737	320	15,907	7,200	n/a	n/a	6,157	2,550	
Total Grains And Oilseeds												
2004-2005	26,038	23,219	2.74	63,596	3,082	77,675	23,702	n/a	n/a	37,830	16,143	
2005-2006	25,456	23,650	2.82	66,715	2,512	85,370	28,297	n/a	n/a	38,149	18,924	
2006-2007F	25,454	24,130	2.58	62,293	2,996	84,213	31,410	n/a	n/a	38,913	13,890	

(a) Crop year is August-July except corn and soybeans which are September-August.

(b) Excludes imports of products. (c) Includes exports of products for wheat, oats, barley, and rye. Excludes exports of oilseed products.

(d) Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use

(e) Soybean food and industrial use is based on data from the Canadian Oilseed Processors Association. Totals excludes flaxseed due to data confidentiality.

(f) Crop year average prices: No.1 CWRS 11.5% protein and No.1 CWAD 11.5% (CWB final price I/S St. Lawrence/Vancouver), Barley (No. 1 feed, WCE, cash, I/S Lethbridge), Corn (No.2 CE, cash, I/S Chatham), Oats (US No. 2 Heavy, CBoT nearby futures); Rye (No.1 CW, I/S Saskatoon); Canola (No. 1 Canada, WCE, cash, I/S Vancouver); Flaxseed (No. 1 CW, WCE, cash, I/S Thunder Bay); Soybeans (No. 2, I/S Chatham).

* Canadian Wheat Board Pool Return Outlook (PRO) – Sept. 28, 2006 ** CWB PRO – Oct. 26, 2006

F: Forecast: Agriculture and Agri-Food Canada —— November 10, 2006

Source: Statistics Canada, Cereals and Oilseeds Review Series, Cat. No. 22-007

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CANADA: PULSE AND SPECIAL CROPS OUTLOOK

November 10, 2006

For 2006-07, total Canadian production of pulse and special crops is estimated to decrease by 19%, from 2005-06, to 4.3 million tonnes (Mt), based on Statistics Canada's (STC) September production estimates and AAFC forecasts where STC estimates were not available. Estimated yields are lower than trend for dry peas, lentils, chickpeas, mustard seed, canary seed and buckwheat, but higher for dry beans and sunflower seed. Crop abandonment is estimated to be lower than normal. Harvest progress was ahead of 2005-06 and ahead of normal, and combining is generally complete. Quality is, in general, normal to higher than normal.

Total supply is estimated to decrease by 13% to 5.85 Mt, as higher carry-in stocks partly offset the decrease in production. Exports, domestic use and carry-out stocks are forecast to decrease because of the lower supply. Average prices, over all types, grades and markets, are forecast to increase for dry peas, lentils, chickpeas, mustard seed, canary seed and sunflower seed, decrease for dry beans and be the same for buckwheat. The stronger Canadian dollar, compared to the US dollar, is expected to have the largest impact on dry bean and sunflower seed prices, as Canadian prices for these crops are directly related to US prices. The main factors to watch are the exchange rates of the Canadian dollar against the US dollar and other currencies, ocean shipping rates and growing and harvest conditions in other major producing countries, especially Australia, India and Mexico.

DRY PEAS

For **2006-07**, production and supply are estimated to decrease, as lower yields more than offset the 4% increase in seeded area. Production is estimated to decrease for yellow, green and other types. World supply is forecast to decrease by 9% to 11.15 Mt, mainly because of lower production in Canada, France and Australia, and lower carry-in stocks. Canadian exports are forecast to decrease because of the lower Canadian supply and lower demand in EU feed markets. Carry-out stocks are forecast to decrease, with a stocks-to-use ratio (s/u) of 10%. The average price, over all types, grades and markets, is expected to rise from 2005-06 due to the lower supply.

LENTILS

For **2006-07**, production and supply are estimated to decrease due to a 34% lower seeded area and lower yields. Production is estimated to decrease sharply for large, medium and small green lentils, but increase for red lentils. Carry-in stocks are estimated to be high for green lentils, but low for red lentils. World supply is forecast to decrease by 10% to 4.16 Mt, mainly because of lower production in Canada, Australia and the US. Canadian exports are expected to increase because of a higher Canadian supply of red lentils and sharply lower production in Australia, which produces red lentils. Carry-out stocks are forecast to decrease, with a s/u of 14%. The average price is forecast to increase because of the lower world supply, with the price of green lentils increasing more than for red lentils. Over all types and grades, the average price is forecast to increase.

DRY BEANS

For **2006-07**, production and supply are estimated to increase, as an 11% lower seeded area is more than offset by lower abandonment and higher yields. Production is estimated to increase for white pea, Great Northern, pinto and black beans, decrease for light and dark red kidney and cranberry beans, and remain stable for pink and small red beans. In the US, production is estimated to fall by 15% to 1.01 Mt, while supply decreases by only 10% to 1.19 Mt due to higher carry-in stocks. Canadian exports are forecast to increase due to the higher supply and strong demand. Carry-out stocks are expected to increase, with a s/u of 12%. The average price, over all classes and grades, is forecast to decrease because of the higher Canadian supply, increased share of lower priced classes of beans in total production, and the stronger Canadian dollar.

CHICKPEAS

For **2006-07,** production and supply are estimated to increase, as an 82% higher seeded area more than offsets lower yields. Production is estimated to increase for all types, large kabuli, small kabuli and desi. World supply is expected to decrease slightly to 9.0 Mt, as an increase for the kabuli type is more than offset by a decrease for the desi type. Although Canadian exports are forecast to increase because of the higher supply, carry-out stocks are expected to rise, with a s/u of 14%. Although the average price of the large kabuli type is forecast to fall because of higher supply, average prices for the small kabuli and desi types are forecast to increase because of lower supply, stronger demand and higher quality. Therefore, the average price, over all types and grades, is forecast to increase.

MUSTARD SEED

For **2006-07**, production and supply are estimated to decrease because of a 34% lower seeded area and lower yields. Production is estimated to decrease for all types, yellow, brown and oriental. A significant portion of the carry-in stocks is estimated to be low quality seed. Exports are expected to rise slightly due to higher demand and carry-out stocks are forecast to decrease sharply, with a s/u of 51%. The average price, over all types and grades, is expected to increase due to the lower supply.

CANARY SEED

For **2006-07**, production and supply are estimated to decrease due to a 34% lower seeded area and lower yields. World supply is forecast to decrease by 21% to 346,000 t. Canadian exports are expected to decrease slightly because of higher prices, while carry-out stocks decrease sharply, with a s/u of 52%. The average price is forecast to rise sharply because of the lower supply.

SUNFLOWER SEED

For **2006-07**, production and supply are estimated to increase as a 13% lower seeded area is more than offset by lower abandonment and higher yields. Production is estimated to increase for both types, confectionery and oilseed. US supply is estimated to decrease by 29% to 1.39 Mt. Canadian exports are forecast to increase because of the higher supply and strong demand. Carry-out stocks are expected to increase, with a s/u of 22%. The average price, over both types, is forecast to increase because of the lower total US and Canadian supply.

BUCKWHEAT

For **2006-07**, Canadian production and supply are forecast to remain stable, as a higher seeded area is offset by lower yields. The average price is expected to be the same as in 2005-06.

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CANADA: PULSE AND SPECIAL CROPS SUPPLY AND DISPOSITION

November 10, 2006

Grain and Crop Year (a)	Area Seeded	Area Harvested	Yield	Production	Imports (b)	Total Supply	Exports (b)	Total Domestic Use (d)	Carry-out Stocks	Average Price (e)
	thousand ha		t/ha	thousand metric tonnes						$/t
Dry Peas										
2002-2003	1,297	1,050	1.30	1,365	41	1,681	626	745	310	210
2003-2004	1,303	1,271	1.67	2,124	24	2,458	1,316	937	205	175
2004-2005	1,388	1,345	2.48	3,338	57	3,600	1,853	1,152	595	135
2005-2006	1,366	1,319	2.35	3,100	76	3,771	2,566	725	480	120
2006-2007f	1,420	1,386	1.99	2,753	70	3,303	2,200	803	300	125-155
Lentils										
2002-2003	601	387	0.91	354	9	494	320	119	55	390
2003-2004	554	536	0.97	520	5	580	367	175	38	420
2004-2005	778	750	1.28	962	10	1,010	451	314	245	310
2005-2006	884	862	1.48	1,278	8	1,531	669	387	475	230
2006-2007f	587	571	1.18	673	10	1,158	730	288	140	265-295
Dry Beans										
2002-2003	230	219	1.89	414	40	489	298	96	95	445
2003-2004	167	167	2.13	356	31	482	344	83	55	495
2004-2005	163	126	1.75	220	28	303	278	20	5	650
2005-2006	197	175	1.85	324	39	368	284	49	35	495
2006-2007f	176	176	2.01	353	25	413	315	53	45	465-495
Chickpeas										
2002-2003	221	154	1.01	156	9	345	105	160	80	300
2003-2004	63	63	1.08	68	2	150	74	51	25	330
2004-2005	47	39	1.31	51	4	80	47	28	5	385
2005-2006	79	73	1.42	104	7	116	64	42	10	490
2006-2007f	144	142	1.06	150	5	165	100	45	20	495-525
Mustard Seed										
2002-2003	289	255	0.60	154	9	196	114	22	60	595
2003-2004	340	328	0.69	226	2	288	121	75	92	390
2004-2005	317	304	1.01	306	1	399	119	86	194	295
2005-2006	212	206	0.98	201	0	395	133	72	190	265
2006-2007f	140	132	0.91	120	1	311	135	71	105	290-320
Canary Seed										
2002-2003	287	227	0.78	176	0	206	160	26	20	575
2003-2004	251	243	0.93	226	0	246	165	14	67	345
2004-2005	356	318	0.95	301	0	368	163	37	168	230
2005-2006	190	186	1.22	227	0	395	185	20	190	195
2006-2007f	125	123	0.96	118	0	308	180	23	105	250-280
Sunflower Seed										
2002-2003	100	95	1.65	157	21	200	105	60	35	440
2003-2004	119	115	1.30	150	16	201	96	80	25	405
2004-2005	87	59	0.92	54	35	114	32	64	18	490
2005-2006	93	75	1.19	89	26	133	46	60	27	345
2006-2007f	81	74	1.65	122	20	169	75	64	30	345-375
Buckwheat										
2002-2003	12	12	1.00	12	1	16	6	7	3	340
2003-2004	9	9	1.11	10	1	14	5	7	2	355
2004-2005	9	7	0.71	5	1	8	4	4	0	355
2005-2006	7	6	1.33	8	1	9	4	5	0	355
2006-2007f	10	9	0.89	8	1	9	4	5	0	340-370
Total Pulse And Special Crops (c)										
2002-2003	3,036	2,399	1.16	2,788	130	3,627	1,734	1,235	658	
2003-2004	2,805	2,732	1.35	3,680	81	4,419	2,488	1,422	509	
2004-2005	3,145	2,948	1.78	5,237	136	5,882	2,947	1,705	1,230	
2005-2006	3,028	2,902	1.84	5,331	157	6,718	3,951	1,360	1,407	
2006-2007f	2,683	2,613	1.64	4,297	132	5,836	3,739	1,352	745	

(a) August-July crop year.

(b) Excludes products.

(c) Includes Pulse Crops (dry peas, lentils, dry beans, chick peas) and Special Crops (mustard seed, canary seed, sunflower seed, buckwheat)

(d) Includes food, feed, seed, waste and dockage. Total domestic use is calculated residually.

(e) Producer price, FOB plant. Average over all types, grades and markets.

f: forecast, Agriculture and Agri-Food Canada, November 10, 2006

Source: Statistics Canada and industry consultations.

AUSTRALIA: PULSE AND SPECIAL CROPS AREA, PRODUCTION AND USE

crop year *November-October*	1996 -1997	1997 -1998	1998 -1999	1999 -2000	2000 -2001	2001 -2002	2002 -2003	2003 -2004	2004 -2005	2005 -2006p	2006 -2007f
LUPINS											
Seeded Area (kha)	1,259	1,424	1,407	1,347	1,180	1,139	1,025	851	839	754	500
Yield (t/ha)	1.21	1.10	1.21	1.46	0.89	1.07	0.71	1.39	1.12	1.43	0.49
Production (kt)	1,523	1,561	1,696	1,968	1,055	1,215	726	1,180	937	1,079	245
Exports (kt)	905	961	1,261	980	509	416	175	712	365	536	41
Domestic Use (kt)	618	600	643	567	546	599	750	468	508	593	204
DRY PEAS											
Seeded Area (kha)	336	367	370	423	397	337	380	354	321	280	342
Yield (t/ha)	1.35	0.86	1.00	1.17	1.15	1.52	0.47	1.38	0.90	1.71	0.60
Production (kt)	454	316	370	496	456	512	178	487	289	478	206
Exports (kt)	304	184	267	267	362	428	96	221	115	215	73
Domestic Use (kt)	149	132	31	91	97	87	85	89	96	146	148
CHICKPEAS											
Seeded Area (kha)	241	273	309	218	233	195	196	152	120	105	259
Yield (t/ha)	1.20	0.73	0.61	1.06	0.63	1.32	0.69	1.17	0.97	1.17	0.92
Production-Desi (kt)	*288*	*199*	*188*	*230*	*139*	*234*	*133*	*170*	*109*	*111*	*223*
Production-Kabuli (kt)	*n/a*	*n/a*	*n/a*	*n/a*	*7*	*24*	*3*	*8*	*7*	*12*	*16*
Production-Total (kt)	288	199	188	230	146	258	136	178	116	123	239
Exports (kt)	369	200	120	225	176	272	113	190	152	179	225
Domestic Use (kt)	31	34	28	27	12	13	13	9	9	19	21
FABABEANS AND BROADBEANS											
Seeded Area (kha)	97	155	135	147	222	198	172	170	209	197	168
Yield (t/ha)	1.76	1.05	1.44	1.54	1.58	2.05	0.78	1.79	0.87	1.82	0.84
Production-Fababeans	*171*	*163*	*194*	*226*	*325*	*350*	*108*	*277*	*168*	*329*	*119*
Production-Broadbeans	*n/a*	*n/a*	*n/a*	*n/a*	*25*	*55*	*26*	*28*	*14*	*30*	*22*
Production-Total (kt)	171	163	194	226	350	405	134	305	182	359	141
Exports (kt)	107	110	170	197	239	289	86	174	108	220	50
LENTILS											
Seeded Area (kha)	18	57	66	75	117	158	165	131	119	113	152
Yield (t/ha)	2.11	0.63	0.59	1.37	1.39	1.68	0.41	1.34	0.70	1.86	0.43
Production (kt)	38	36	39	103	163	266	67	175	83	210	66
Exports (kt)	0	1	25	134	218	242	85	150	108	200	55
SUNFLOWER SEED											
Seeded Area (kha)	139	92	167	120	105	79	40	46	46	79	85
Yield (t/ha)	1.17	1.07	1.25	1.23	1.10	0.89	0.63	1.26	1.35	1.24	1.18
Production (kt)	163	98	209	147	116	70	25	58	62	98	100
Exports (kt)	4	3	11	8	25	2	2	1	3	3	3

Notes: kha = thousand hectares; kt = thousand tonnes

f: forecast, October 2006

Seeded area and *Production*: Pulse Australia; except for sunflower seed which is ABARE
Domestic Use for lupins, dry peas and chickpeas: ABARE
Exports for lupins, dry peas and chickpeas: ABARE. The ABARE September 2006 forecast was reduced by the decrease in the production estimate from September to October.
Exports for fababeans and broadbeans, lentils and sunflower seed: AAFC

Source: October 2006

1996-1997 to 2005-2006

p: preliminary

Seeded Area and *Production*: ABARE
Exports and *Domestic Use* for lupins, dry peas and chickpeas: ABARE
Exports for fababeans and broadbeans, lentils and sunflower seed: FAOSTAT and Global Trade Atlas; except for 2005-2006 which are AAFC estimates.

Sunflower Seed

Sunflower seed is the only special crop produced in significant quantity in Australia. It is grown as a summer crop, nearly all in NSW and Queensland. More than 90% of Australian sunflower seed production is the oilseed type and the balance the confectionery type. For 2006-2007, production is expected to increase only marginally to 100,000 t, as a higher seeded area is mostly offset by lower yields.

Australian sunflower seed is mainly used domestically and export volumes are small, mainly to countries in the South Pacific and in southern and eastern Asia.

Other Pulse and Special Crops

Australia also produces several other pulse and special crops in small quantities, including: (1) pulse crops; dry beans (mostly mung, but also azuki and white pea) and vetch, and (2) special crops; safflower seed, canary seed and millet. Approximate annual production volumes for these crops are: dry beans 45,000 t, vetch 25,000 t, safflower seed 40,000 t, canary seed 5,000 t, millet 40,000 t.

Dry beans are mostly exported, about 40,000 per year, mainly to countries in southern and eastern Asia. Since Australia exports mostly mung beans, it generally does not compete with Canadian exporters. Vetch is generally used domestically for livestock feed. Safflower seed, canary seed and millet are mostly used domestically, although about 5,000 t per year of safflower seed are exported mainly to countries in southern and eastern Asia, and about 5,000 t per year of millet are exported to a wide range of countries in Asia and Europe.

Imports

Australia is a small importer of pulse and special crops, with approximate annual import volumes as follows: dry beans 8,000 t, dry peas 3,000 t, lentils 1,000 t and sunflower seed 1,000 t.

Trade with Canada

Trade in pulse and special crops between Canada and Australia is small. Canada annually exports about 2,000 t of dry beans and 500 t each of dry peas, lentils and mustard seed to Australia, and imports about 500 t of dry beans.

Transportation Advantage

Australian exporters have a major transportation advantage over their Canadian counterparts because the growing areas are located much closer to ports than the Canadian areas. Furthermore, all of the Australian ports are open throughout the year. The proximity to ports reduces the cost and complexity of transportation from the growing areas. In addition, Australian ports are much closer than Canadian ports to major markets for pulse crops in southern Asia and the Middle East

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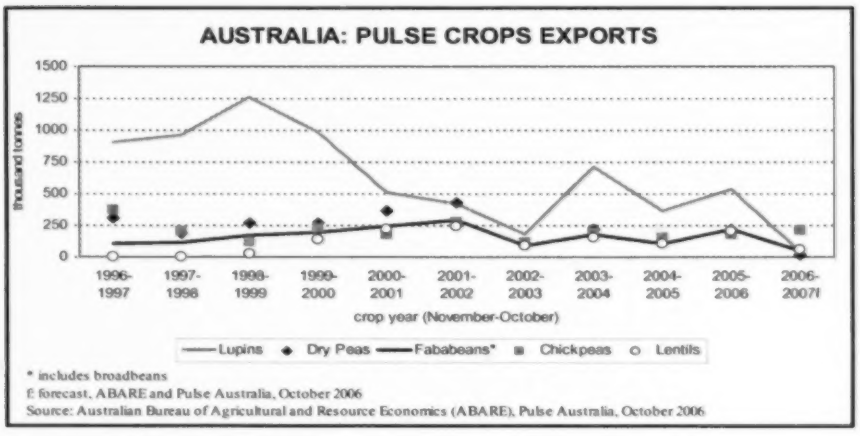

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